



Electricity Oversight Board

Daily Report for Tuesday, May 13, 2003

On Tuesday, the average zonal price for SP15 jumped by nearly 18 percent to \$53.59/MWh, while the NP15 price at \$45.01/MWh dropped slightly from the previous day. The average zonal price has remained relatively high for the last several days primarily due to:

- An increase in the natural gas price. The average natural gas price increased from \$5.28/MMBtu on Monday to \$5.34/MMBtu on Tuesday.
- Warmer weather conditions contributed to an increase for cooling demand. On Tuesday, the temperatures for Northern California increased from the previous day. The temperatures for Southern California, although higher than the last several days, remained nearly the same as yesterday.
- Healthy generation levels. The planned and unplanned outages on Tuesday decreased from Monday by over 500 MW.
- Lower hydro generation availability. Cooler temperatures in the Northwest have hindered runoffs.

The hourly zonal price jumped to above \$114/MWh between the hours of 8 p.m. and 9 p.m. Although, the price spikes were not the result of under forecasting, it might have been due to a decreased supply during the period that generators ramp down. Many generation units operate under contracts for a designated period and reduce generation or shut down units at a specific hour depending on the contract terms.

Figure 1 - SP15 & NP15 7-Day Rolling Average Prices

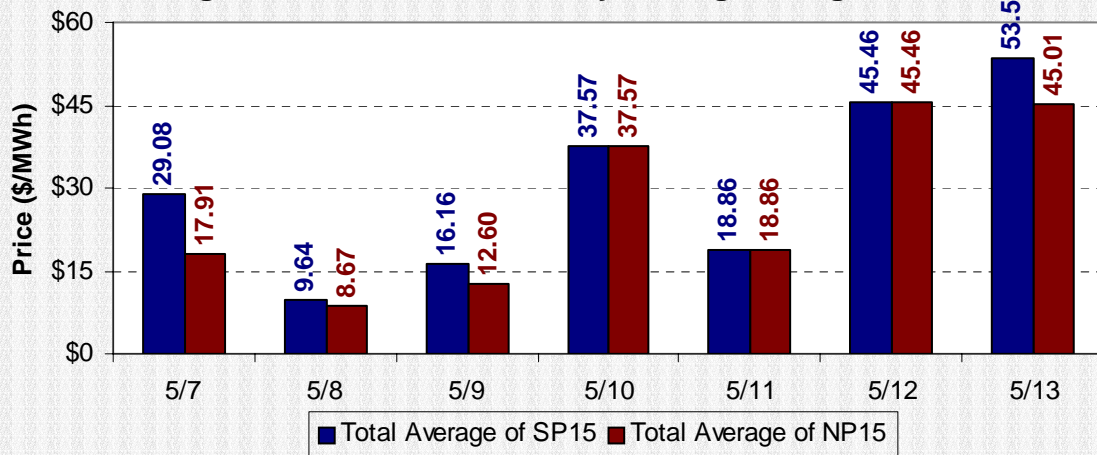
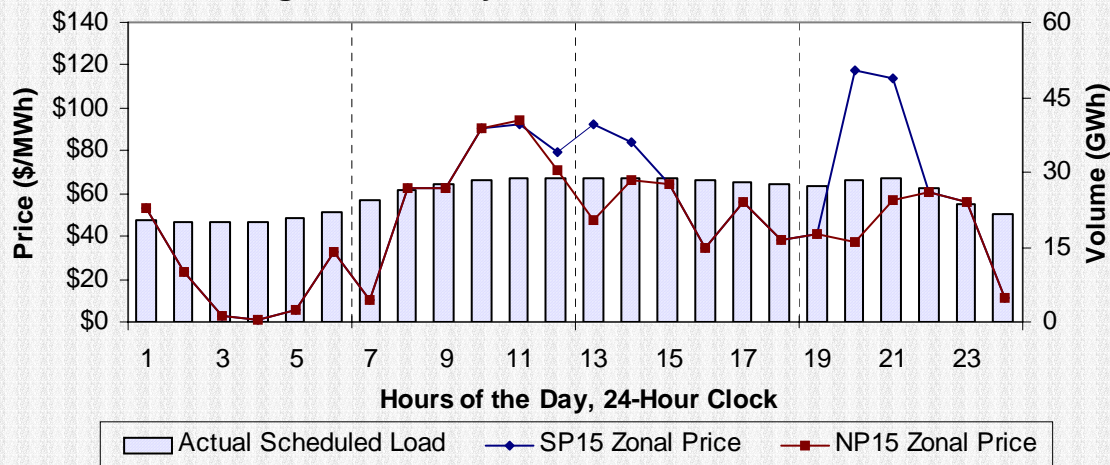


Figure 2 - Hourly Zonal Price and Volume





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Figure 3 - On-Peak Average Price by Market Area

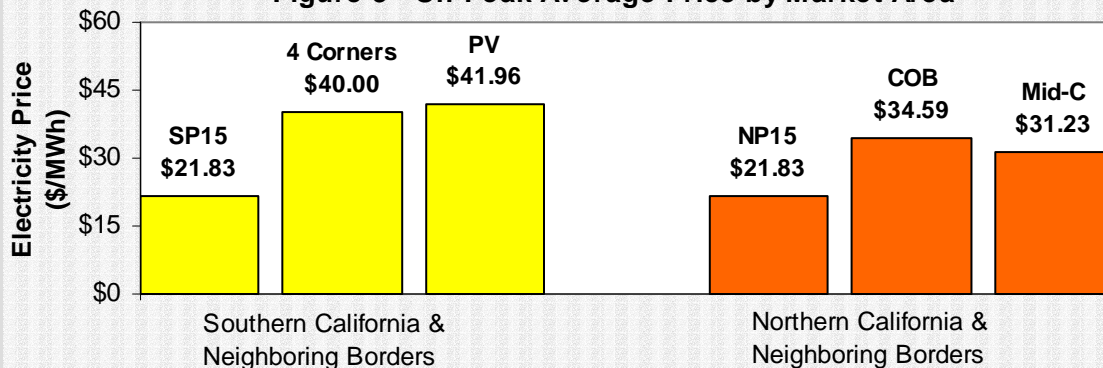


Figure 4 - Seven Day Snapshot of NP15 Zonal Price

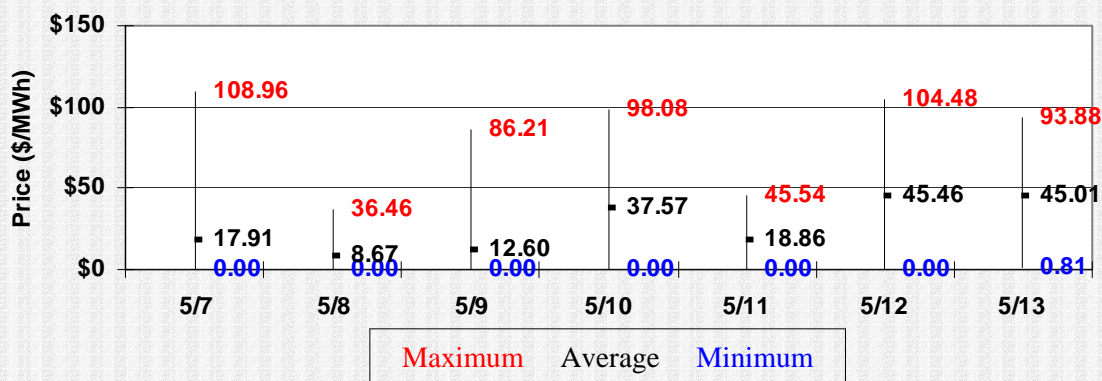


Figure 5 - Average Natural Gas Price

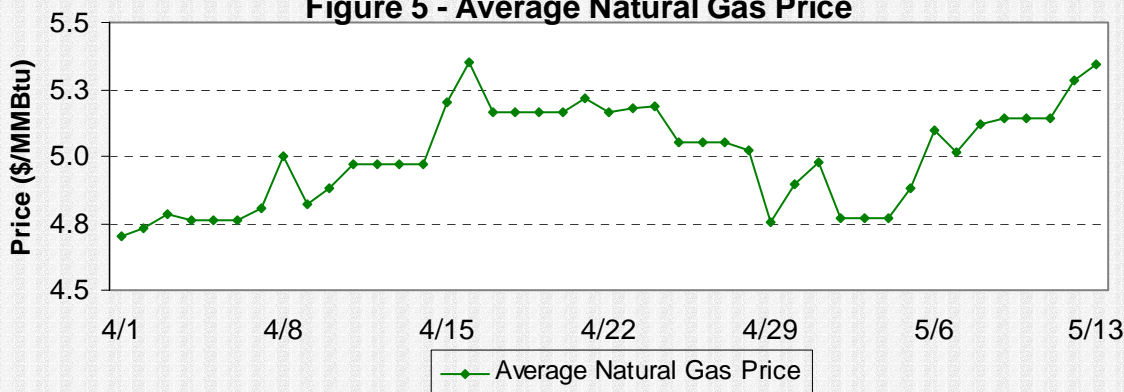


Figure 6 - Average Daily Zonal Price & Total Actual Load

